## 1205500S

#### COMMONWEALTH OF VIRGINIA

## STATE CORPORATION COMMISSION AT RICHMOND, MAY 27, 2022

SCC-CLERK'S OFFICE DOCUMENT CONTAGE CENTER

2022 HAY 27 P 12: 56

PETITION OF

VIRGINIA ELECTRIC AND POWER COMPANY

CASE NO. PUR-2022-00062

For approval of new broadband capacity projects pursuant to § 56-585.1:9 of the Code of Virginia and for revision of rate adjustment clause: Rider RBB for the Rate Year commencing December 1, 2022

#### ORDER FOR NOTICE AND HEARING

On May 5, 2022, Virginia Electric and Power Company ("Dominion" or "Company") filed a petition ("Petition") with the State Corporation Commission ("Commission") pursuant to § 56-585.1:9 of the Code of Virginia ("Code") and Code § 56-585.1 A 6.1 The Company seeks approval to install middle-mile broadband capacity in unserved areas (1) in the Northern Neck region of Virginia, including additional miles required within King George, Westmoreland, Richmond, and Northumberland Counties ("Original Northern Neck Counties")<sup>2</sup> as well as King William and Lancaster Counties ("Northern Neck Project"), and (2) in the Thomas Jefferson Planning District, specifically, Louisa and Appomattox Counties ("Thomas Jefferson Planning District Project" and collectively, with the Northern Neck Project, the "Proposed New Projects").

<sup>&</sup>lt;sup>1</sup> Pursuant to Code § 56-585.1:9, the Commission must issue a final order within six months of the filing of this Petition. On May 19, 2022, a memorandum of completeness/incompleteness was filed, stating that the Application is incomplete pending approval of a limited request for waiver. As discussed below, the Commission grants the requested waiver, making the Petition complete as of May 5, 2022.

<sup>&</sup>lt;sup>2</sup> The Company indicates that it previously received prudency approval to install middle-mile fiber in these counties. Petition at 1 n.1. See Petition of Virginia Electric and Power Company, For approval of broadband capacity pilot projects pursuant to § 56-585.1:9 of the Code of Virginia, and for approval of a rate adjustment clause, designated Rider RBB, under § 56-585.1 A 6 of the Code of Virginia, Case No. PUR-2020-00197, Doc. Con. Cen. No. 210330129, Order Approving Broadband Pilot Projects (Mar. 25, 2021).

The Company also seeks approval to revise rate adjustment clause Rider RBB, for the rate year commencing December 1, 2022, through November 20, 2023 ("Rate Year").

#### Northern Neck Project

Through its Petition, the Company is requesting approval of the Northern Neck Project, which includes miles previously approved for prudency by the Commission, 65.8 additional miles of fiber within the Original Northern Neck Counties, and the addition of approximately 128 miles of fiber in King William and Lancaster Counties.<sup>3</sup>

Dominion states that since initially filing for pilot approval of the Northern Neck Project in October 2020, the Company has worked closely with its Internet service provider ("ISP") partner, All Points Broadband ("All Points"), and performed detailed scoping efforts in the field to identify the specific routes required to provide access to all unserved customers throughout the Northern Neck.<sup>4</sup> Dominion asserts that these efforts resulted in minor changes to the original estimated route, increasing the estimated mileage from 217.2 miles to 221.9 miles.<sup>5</sup>

Dominion states that All Points has also since been awarded Rural Digital Opportunity Fund support and Virginia Telecommunication Initiative ("VATI") funding to bring broadband access to additional unserved locations in the Original Northern Neck Counties.<sup>6</sup> All Points has therefore requested that Dominion provide approximately 65.8 miles of additional middle-mile infrastructure in the Original Northern Neck Counties to enable universal access to all unserved

<sup>&</sup>lt;sup>3</sup> Petition at 8.

<sup>&</sup>lt;sup>4</sup> *Id.* at 10.

<sup>&</sup>lt;sup>5</sup> Id. at 10. The Company asserts that these additional 4.7 miles are within the scope of the estimated miles for the Northern Neck Project approved by the Commission in Case No. PUR-2020-00197, but should the Commission disagree, the Company requests approval for this additional work as part of the Northern Neck Project in this proceeding. Id. at 10 n.10.

<sup>&</sup>lt;sup>6</sup> Id. at 10; Direct Testimony of James G. Carr ("Carr Direct") at 5-6.

customers in the Northern Neck Project.<sup>7</sup> As a result, Dominion states that the Northern Neck Project includes a total of approximately 288 miles of fiber in the Original Northern Neck Counties.<sup>8</sup>

Dominion states that All Points will also receive approximately \$7.6 million in additional VATI funding to deploy fiber-optic broadband into unserved areas of King William and Lancaster Counties. In conjunction with the additional miles in the Original Northern Neck Counties, the Company is also requesting approval to install approximately 128 miles of fiber in King William and Lancaster Counties. The Company represents that, in total, the Northern Neck Project will consist of approximately 416 miles of fiber.

To provide broadband capacity in King William County, the Company is proposing to install 144-count All-Dielectric Self-Supporting ("ADSS") fiber for approximately 28.9 miles along the trunk line or the Company's main distribution line and 72-count ADSS fiber for approximately 32.3 miles on the lateral lines or the Company's distribution tap lines. To provide broadband capacity in Lancaster County, the Company proposes to install 144-count ADSS fiber along the trunk-line route for approximately 20.9 miles throughout Lancaster County and 72-count ADSS fiber along the various lateral routes for approximately 46.2 miles.

<sup>&</sup>lt;sup>7</sup> Carr Direct at 5-6; Petition at 11.

<sup>&</sup>lt;sup>8</sup> Petition at 11.

<sup>&</sup>lt;sup>9</sup> *Id*.

<sup>&</sup>lt;sup>10</sup> *Id*.

<sup>&</sup>lt;sup>11</sup> Id.

<sup>&</sup>lt;sup>12</sup> Id.

<sup>13</sup> Id.

Dominion states that within the trunk line and lateral routes to be constructed by the Company for the Northern Neck Project, All Points expects to lease 60 and 48 fiber strands, respectively, from the Company so that it can deliver high-speed Internet access to the residences and businesses in the Northern Neck counties. <sup>14</sup> The Company further states that total estimated capital cost for the Northern Neck Project is approximately \$43.9 million, with rural broadband costs of approximately \$32.1 million. <sup>15</sup> Dominion indicates that it therefore seeks recovery of \$32.1 million for the Northern Neck Project in this proceeding. <sup>16</sup>

The Company represents that as of the date of this Petition, 122 miles (or approximately 29%) of the 416 miles in the Northern Neck Project are in some phase of the construction process. <sup>17</sup> Dominion maintains that based on the progress to date and the remaining mileage, the Company has a high degree of confidence that the majority of the Northern Neck Project for the initial counties will be complete by the end of 2022, barring any unforeseen delays that can arise on individual work requests related to unique permitting situations. <sup>18</sup>

#### Thomas Jefferson Planning District Project

The Company is also requesting approval of the Thomas Jefferson Planning District Project in which it will provide broadband capacity to Firefly Fiber Broadband ("Firefly") in unserved areas of Appomattox and Louisa Counties. <sup>19</sup> To provide broadband capacity,

<sup>14</sup> Id. at 11-12.

<sup>15</sup> Id. at 12.

<sup>&</sup>lt;sup>16</sup> Direct Testimony of David F. Walker ("Walker Direct") at 23.

<sup>&</sup>lt;sup>17</sup> Petition at 12.

<sup>18</sup> Id.

<sup>&</sup>lt;sup>19</sup> Id.

Dominion proposes to install 144-count ADSS fiber along the trunk line for approximately 13.1 miles and 72-count ADSS fiber along the lateral lines for approximately 40.9 miles in Appomattox County.<sup>20</sup> To provide broadband capacity in Louisa County, the Company proposes to install 144-count ADSS fiber along the trunk-line route for approximately 16.7 miles throughout Louisa County and 72-count ADSS fiber along the various lateral routes for approximately 43.1 miles.<sup>21</sup>

Dominion represents that the total estimated capital cost for the Thomas Jefferson

Planning District Project is approximately \$12 million, with rural broadband costs of

approximately \$9.5 million.<sup>22</sup> The Company indicates that it therefore seeks recovery of \$9.5

million for the Thomas Jefferson Planning District Project in this proceeding.<sup>23</sup>

#### Rider RBB

The Company seeks approval of two requests related to Rider RBB: (i) to update Rider RBB for the recovery of costs associated with the Surry and Botetourt Projects approved by the Commission in Case No. PUR-2020-00197, and (ii) to recover through Rider RBB the costs of the Northern Neck Project and the Thomas Jefferson Planning District Project.<sup>24</sup> The Company states that it will use the lease revenues it receives from the ISPs to offset the costs of the previously approved rural broadband projects and the Proposed New Projects.<sup>25</sup>

<sup>&</sup>lt;sup>20</sup> Id.

<sup>&</sup>lt;sup>21</sup> Id. at 12-13.

<sup>&</sup>lt;sup>22</sup> Petition at 14.

<sup>&</sup>lt;sup>23</sup> Id. at 27.

<sup>&</sup>lt;sup>24</sup> *Id.* at 14-15.

<sup>&</sup>lt;sup>25</sup> *Id.* at 15.

For the Rate Year, the Company is requesting recovery of a total revenue requirement of \$7.438 million.<sup>26</sup> The Company indicates that its revenue requirement includes the Projected Cost Recovery Factor and the Actual Cost True-Up Factor.<sup>27</sup> For purposes of calculating the revenue requirement in this case, Dominion states that it is utilizing a rate of return on common equity ("ROE") of 9.35% for the period after the Commission's November 18, 2021 Final Order ("Triennial Review Final Order") in Case No. PUR-2021-00058 and is utilizing an ROE of 9.2%, as approved by the Commission in Case No. PUR-2019-00050, for the period prior to the Triennial Review Final Order.<sup>28</sup>

The Company indicates that in this proceeding, it has updated certain components of its Lead/Lag Study based on calendar year 2021.<sup>29</sup> Accordingly, the Company requests that any issues related to the Lead/Lag Study be litigated in this docket.<sup>30</sup>

According to the Petition, the implementation of the proposed Rider RBB on December 1, 2022, will increase the residential customer's monthly bill, based on 1,000 kilowatt-hours per month, by \$0.14.<sup>31</sup>

<sup>&</sup>lt;sup>26</sup> Id. at 15-16.

<sup>&</sup>lt;sup>27</sup> Id. at 15.

<sup>&</sup>lt;sup>28</sup> Id. at 14. See Application of Virginia Electric and Power Company, For a 2021 triennial review of the rates, terms and conditions for the provision of generation, distribution and transmission services pursuant to § 56-585.1 A of the Code of Virginia, Case No. PUR-2021-00058, Doc. Con. Cen. No. 211160097, Final Order (Nov. 18, 2021); Application of Virginia Electric and Power Company, For the determination of the fair rate of return on common equity pursuant to § 56-585.1:1 C of the Code of Virginia, Case No. PUR-2019-00050, 2019 S.C.C. Ann. Rept. 400, Final Order (Nov. 21, 2019).

<sup>&</sup>lt;sup>29</sup> Petition at 14.

<sup>&</sup>lt;sup>30</sup> Id.

<sup>31</sup> Id. at 17.

Dominion requests that the Commission waive, in part, the requirements under 20 VAC 5-204-60 ("Rule 60") and 20 VAC 5-204-90 ("Rule 90") of the Commission's Rules Governing Utility Rate Applications and Annual Informational Filings of Investor-Owned Electric Utilities ("Rate Case Rules")<sup>32</sup> with respect to paper copies of certain Filing Schedule 46 materials.<sup>33</sup> The Company states that the Rate Case Rules require it to provide key documents, including economic analyses, contracts, studies, investigations, results from requests for proposals, and other documentation supporting the costs proposed to be recovered via the rate adjustment clause.<sup>34</sup> Dominion asserts that the supporting documentation responsive to this requirement is voluminous and not easily reviewed in hard copy (paper) format and therefore seeks waiver of the requirement to file 12 hard copies of this information.<sup>35</sup> Instead, the Company proposes to provide this documentation to Commission Staff ("Staff") and any other future case participants in electronic format, and provide the Commission with one hard copy and three electronic copies on compact discs.<sup>36</sup> The Company states that it will make the electronic documents available via an e-room contemporaneously with this filing, with immediate access available to Staff.<sup>37</sup>

Finally, in conjunction with the filing of its Petition, Dominion filed the Motion of Virginia Electric and Power Company for Entry of a Protective Order and Additional Protective

<sup>&</sup>lt;sup>32</sup> 20 VAC 5-204-5 et seq.

<sup>&</sup>lt;sup>33</sup> Petition at 18-19.

<sup>&</sup>lt;sup>34</sup> *Id*.

<sup>&</sup>lt;sup>35</sup> Id.

<sup>&</sup>lt;sup>36</sup> *Id*.

<sup>37</sup> Id.

Treatment ("Motion") and a proposed protective order that establishes procedures governing the use of confidential and extraordinarily sensitive information in this proceeding.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that this matter should be docketed; Dominion should provide public notice of its Petition; public hearings should be scheduled for the purpose of receiving testimony and evidence on the Petition; interested persons should have an opportunity to file comments on the Petition or to participate as respondents in this proceeding; and the Staff should be directed to investigate the Petition and file testimony and exhibits containing its findings and recommendations thereon. We also appoint a Hearing Examiner to conduct all further proceedings in this matter on behalf of the Commission, including ruling on the Company's Motion and filing a final report containing the Hearing Examiner's findings and recommendations. Finally, for purposes of making the Petition complete and commencing this proceeding, we grant Dominion's request to waive the filing of certain Schedule 46 materials in hard copy.

The Commission takes judicial notice of the ongoing public health issues related to the spread of the coronavirus, or COVID-19. The Commission has taken certain actions, and may take additional actions going forward, which could impact the procedures in this proceeding.<sup>38</sup> Consistent with these actions, the Commission will, among other things, direct the electronic

<sup>&</sup>lt;sup>38</sup> See, e.g., Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: Electronic Service of Commission Orders, Case No. CLK-2020-00004, 2020 S.C.C. Ann. Rept. 76, Order Concerning Electronic Service of Commission Orders (Mar. 19, 2020), extended by 2020 S.C.C. Ann. Rept. 77, Order Regarding the State Corporation Commission's Revised Operating Procedures During COVID-19 Emergency (May 11, 2020); Commonwealth of Virginia, ex rel., State Corporation Commission, Ex Parte: Revised Operating Procedures During COVID-19 Emergency, Case No. CLK-2020-00005, 2020 S.C.C. Ann. Rept. 77, Order Regarding the State Corporation Commission's Revised Operating Procedures During COVID-19 Emergency (Mar. 19, 2020) ("Revised Operating Procedures Order"), extended by 2020 S.C.C. Ann. Rept. 78, Order Regarding the State Corporation Commission's Revised Operating Procedures During COVID-19 Emergency (May 11, 2020); Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: Electronic service among parties during COVID-19 emergency, Case No. CLK-2020-00007, 2020 S.C.C. Ann. Rept. 79, Order Requiring Electronic Service (Apr. 1, 2020).

filing of testimony and pleadings, unless they contain confidential information, and require electronic service on parties to this proceeding.

For clarification, we note that the proposed Rider RBB, if approved, would result in an increase to customer bills. We realize that the ongoing COVID-19 public health issues have caused devastating economic effects that impact utility customers. We have responded to this economic emergency by, among other actions, directing Virginia utilities to offer extended payment plans, without late fees for those who are current on such plans, to protect customers from service disconnection. We are sensitive to the effects of rate increases, especially in times such as these. The Commission, however, must and will follow the laws applicable to this case, as well as the findings of fact supported by evidence in the record.

#### Accordingly, IT IS ORDERED THAT:

- (1) This matter is docketed and assigned Case No. PUR-2022-00062.
- (2) All pleadings, briefs, or other documents required to be served in this matter shall be submitted electronically to the extent authorized by 5 VAC 5-20-150, *Copies and format*, of the Rules of Practice and Procedure ("Rules of Practice"), 5 VAC 5-20-10 *et seq.* Confidential and Extraordinarily Sensitive Information shall not be submitted electronically and should comply with 5 VAC 5-20-170, *Confidential information*, of the Rules of Practice. Any person seeking to hand deliver and physically file or submit any pleading or other document shall contact the Clerk's Office Document Control Center at (804) 371-9838 to arrange the delivery.<sup>39</sup>
- (3) Pursuant to 5 VAC 5-20-140, *Filing and service*, of the Rules of Practice, the Commission directs that service on parties and the Staff in this matter shall be accomplished by

<sup>&</sup>lt;sup>39</sup> As noted in the Revised Operating Procedures Order, submissions to the Commission's Clerk's Office via U.S. mail or commercial mail equivalents may be subject to delayed processing due to the COVID-19 public health issues.

electronic means. Concerning Confidential or Extraordinarily Sensitive Information, parties and the Staff are instructed to work together to agree upon the manner in which documents containing such information shall be served upon one another, to the extent practicable, in an electronically protected manner, even if such information is unable to be filed in the Office of the Clerk, so that no party or the Staff is impeded from preparing its case.

- (4) As provided by Code § 12.1-31 and 5 VAC 5-20-120, *Procedures before hearing examiners*, of the Commission's Rules of Practice, a Hearing Examiner is appointed to conduct all further proceedings in this matter on behalf of the Commission, including ruling on the Company's Motion, and to file a final report. A copy of each filing made with the Commission's Clerk's office in this matter shall also be sent electronically to the Office of the Hearing Examiners. 40
- (5) The Commission hereby schedules a telephonic hearing for the receipt of testimony from public witnesses on the Petition, as follows:
  - (a) A hearing for the receipt of testimony from public witnesses on the Petition shall be convened telephonically at 10 a.m., on September 7, 2022, with no witness present in the Commission's courtroom.<sup>41</sup>
  - (b) To promote fairness for all public witnesses, each witness will be allotted five minutes to provide testimony.
  - (c) On or before September 2, 2022, any person desiring to offer testimony as a public witness shall provide to the Commission (a) your name, and (b) the telephone number that you wish the Commission to call during the hearing to receive your testimony. This information may be provided to the Commission in three ways: (i) by filling out a form on the Commission's website at <a href="scc.virginia.gov/pages/Webcasting">scc.virginia.gov/pages/Webcasting</a>; (ii) by completing and emailing the PDF version of this form to <a href="scc.virginia.gov">SCCInfo@scc.virginia.gov</a>; or (iii) by calling (804) 371-9141.

<sup>&</sup>lt;sup>40</sup> Such electronic copies shall be sent to: <u>Wendy.Starkey@scc.virginia.gov</u>, <u>LeaAnn.Robertson@scc.virginia.gov</u>, and <u>Kaitlyn.Mcclure@scc.virginia.gov</u>.

<sup>&</sup>lt;sup>41</sup> The Commission will convene counsel of record in this proceeding to attend the public witness hearing virtually.

- (d) Beginning at 10 a.m., on September 7, 2022, the Hearing Examiner assigned to this case will telephone sequentially each person who has signed up to testify as provided above. This hearing will not be convened, and the parties will be notified of such, if no person signs up to testify as a public witness.
- (e) This public witness hearing will be webcast at scc.virginia.gov/pages/Webcasting.
- (6) A hearing shall be convened on September 8, 2022, at 10 a.m., in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, to receive the testimony and evidence of the Company, any respondents, and the Staff.
- (7) An electronic copy of the public version of the Company's Petition may be obtained by submitting a written request to counsel for the Company, Jontille D. Ray, Esquire, McGuireWoods LLP, Gateway Plaza, 800 East Canal Street, Richmond, Virginia 23219, or <a href="mailto:jray@mcguirewoods.com">jray@mcguirewoods.com</a>. Interested persons also may download unofficial copies from the Commission's website: <a href="mailto:scc.virginia.gov/pages/Case-Information">scc.virginia.gov/pages/Case-Information</a>.
- (8) On or before June 24, 2022, the Company shall cause the following notice to be published as display advertising (not classified) on one (1) occasion in newspapers of general circulation throughout the Company's service territory within Virginia:

# NOTICE TO THE PUBLIC OF A PETITION BY VIRGINIA ELECTRIC AND POWER COMPANY, FOR APPROVAL OF NEW BROADBAND CAPACITY PROJECTS PURSUANT TO § 56-585.1:9 OF THE CODE OF VIRGINIA AND FOR REVISION OF RATE ADJUSTMENT CLAUSE: RIDER RBB, FOR THE RATE YEAR COMMENCING DECEMBER 1, 2022 CASE NO. PUR-2022-00062

- Virginia Electric and Power Company ("Dominion") has applied for approval of new broadband capacity projects and for revision of its rate adjustment clause Rider RBB, which recovers the costs of providing broadband capacity related to rural broadband projects.
- Dominion requests approval of a revenue requirement of \$7.438 million for Rider RBB for the rate year beginning December 1, 2022, and ending November 30, 2023. According to Dominion, this amount would increase a monthly bill of a residential customer using 1,000 kilowatt hours per month by \$0.14.
- The Hearing Examiner appointed to this case will hold a telephonic hearing in this case on September 7, 2022, to receive public witness testimony.
- The Hearing Examiner will hold an evidentiary hearing in this case on September 8, 2022.
- Further information about this case is available on the SCC website at: scc.virginia.gov/pages/Case-Information.

On May 5, 2022, Virginia Electric and Power Company ("Dominion" or "Company") filed a petition ("Petition") with the State Corporation Commission ("Commission") pursuant to § 56-585.1:9 of the Code of Virginia ("Code") and Code § 56-585.1 A 6. The Company seeks approval to install middle-mile broadband capacity in unserved areas (1) in the Northern Neck region of Virginia, including additional miles required within King George, Westmoreland, Richmond, and Northumberland Counties ("Original Northern Neck Counties") as well as King William and

Lancaster Counties ("Northern Neck Project"), and (2) in the Thomas Jefferson Planning District, specifically, Louisa and Appomattox Counties ("Thomas Jefferson Planning District Project" and collectively, with the Northern Neck Project, the "Proposed New Projects"). The Company also seeks approval to revise rate adjustment clause Rider RBB, for the rate year commencing December 1, 2022, through November 20, 2023 ("Rate Year").

#### Northern Neck Project

Through its Petition, the Company is requesting approval of the Northern Neck Project, which includes miles previously approved for prudency by the Commission, 65.8 additional miles of fiber within the Original Northern Neck Counties, and the addition of approximately 128 miles of fiber in King William and Lancaster Counties.

Dominion states that since initially filing for pilot approval of the Northern Neck Project in October 2020, the Company has worked closely with its Internet service provider ("ISP") partner, All Points Broadband ("All Points"), and performed detailed scoping efforts in the field to identify the specific routes required to provide access to all unserved customers throughout the Northern Neck. Dominion asserts that these efforts resulted in minor changes to the original estimated route, increasing the estimated mileage from 217.2 miles to 221.9 miles.

Dominion states that All Points has also since been awarded Rural Digital Opportunity Fund support and Virginia Telecommunication Initiative ("VATI") funding to bring broadband access to additional unserved locations in the Original Northern Neck Counties. All Points has therefore requested that Dominion provide approximately 65.8 miles of additional middlemile infrastructure in the Original Northern Neck Counties to enable universal access to all unserved customers in the Northern Neck Project. As a result, Dominion states that the Northern Neck Project includes a total of approximately 288 miles of fiber in the Original Northern Neck Counties.

Dominion states that All Points will also receive approximately \$7.6 million in additional VATI funding to deploy fiber-optic broadband into unserved areas of King William and Lancaster Counties. In conjunction with the additional miles in the Original Northern Neck Counties, the Company is also requesting approval to install approximately 128 miles of fiber in King

William and Lancaster Counties. The Company represents that, in total, the Northern Neck Project will consist of approximately 416 miles of fiber.

To provide broadband capacity in King William County, the Company is proposing to install 144-count All-Dielectric Self-Supporting ("ADSS") fiber for approximately 28.9 miles along the trunk line or the Company's main distribution line and 72-count ADSS fiber for approximately 32.3 miles on the lateral lines or the Company's distribution tap lines. To provide broadband capacity in Lancaster County, the Company proposes to install 144-count ADSS fiber along the trunk-line route for approximately 20.9 miles throughout Lancaster County and 72-count ADSS fiber along the various lateral routes for approximately 46.2 miles.

The Company further states that total estimated capital cost for the Northern Neck Project is approximately \$43.9 million, with rural broadband costs of approximately \$32.1 million. Dominion indicates that it therefore seeks recovery of \$32.1 million for the Northern Neck Project in this proceeding.

The Company represents that as of the date of this petition, 122 miles (or approximately 29%) of the 416 miles in the Northern Neck Project are in some phase of the construction process. Dominion maintains that based on the progress to date and the remaining mileage, the Company has a high degree of confidence that the majority of the Northern Neck Project for the initial counties will be complete by the end of 2022, barring any unforeseen delays that can arise on individual work requests related to unique permitting situations.

#### **Thomas Jefferson Planning District Project**

The Company is also requesting approval of the Thomas Jefferson Planning District Project in which it will provide broadband capacity to Firefly Fiber Broadband ("Firefly") in unserved areas of Appomattox and Louisa Counties. To provide broadband capacity, Dominion proposes to install 144-count ADSS fiber along the trunk line for approximately 13.1 miles and 72-count ADSS fiber along the lateral lines for approximately 40.9 miles in Appomattox County. To provide broadband capacity in Louisa County, the Company proposes to install 144-count ADSS fiber along the trunk-line route for approximately 16.7 miles throughout Louisa County and 72-count ADSS fiber along the various lateral routes for approximately 43.1 miles.

Dominion represents that the total estimated capital cost for the Thomas Jefferson Planning District Project is approximately \$12 million, with rural broadband costs of approximately \$9.5 million. The Company indicates that it therefore seeks recovery of \$9.5 million for the Thomas Jefferson Planning District Project in this proceeding.

#### Rider RBB

The Company seeks approval of two requests related to Rider RBB: (i) to update Rider RBB for the recovery of costs associated with the Surry and Botetourt Projects approved by the Commission in Case No. PUR-2020-00197, and (ii) to recover through Rider RBB the costs of the Northern Neck Project and the Thomas Jefferson Planning District Project. The Company states that it will use the lease revenues it receives from the ISPs to offset the costs of the previously approved rural broadband projects and the Proposed New Projects.

For the Rate Year, the Company is requesting recovery of a total revenue requirement of \$7.438 million. The Company indicates that its revenue requirement includes the Projected Cost Recovery Factor and the Actual Cost True-Up Factor. For purposes of calculating the revenue requirement in this case, Dominion states that it is utilizing a rate of return on common equity ("ROE") of 9.35% for the period after the Commission's November 18, 2021 Final Order ("Triennial Review Final Order") in Case No. PUR-2021-00058 and is utilizing an ROE of 9.2%, as approved by the Commission in Case No. PUR-2019-00050, for the period prior to the Triennial Review Final Order.

The Company indicates that in this proceeding, it has updated certain components of its Lead/Lag Study based on calendar year 2021. Accordingly, the Company requests that any issues related to the Lead/Lag Study be litigated in this docket.

According to the Petition, the implementation of the proposed Rider RBB on December 1, 2022, will increase the residential customer's monthly bill, based on 1,000 kilowatt-hours per month, by \$0.14.

Interested persons are encouraged to review the Petition and supporting documents for the details of these and other proposals.

TAKE NOTICE that the Commission may apportion revenues among customer classes and/or design rates in a manner differing from that shown in the Petition and supporting documents and thus may adopt rates that differ from those appearing in the Company's Petition and supporting documents.

The Commission entered an Order for Notice and Hearing in this proceeding that, among other things, scheduled public hearings on Dominion's Petition. On September 7, 2022, at 10 a.m., the Hearing Examiner assigned to this case will hold a telephonic hearing, with no witness present in the Commission's courtroom, for the purpose of receiving the testimony of public witnesses. On or before September 2, 2022, any person desiring to offer testimony as a public witness shall provide to the Commission (a) your name, and (b) the telephone number that you wish the Commission to call during the hearing to receive your testimony. This information may be provided to the Commission in three ways: (i) by filling out a form on the Commission's website at scc.virginia.gov/pages/Webcasting; (ii) by completing and emailing the PDF version of this form to SCCInfo@scc.virginia.gov; or (iii) by calling (804) 371-9141. This public witness hearing will be webcast at scc.virginia.gov/pages/Webcasting.

On September 8, 2022, at 10 a.m., in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, the Hearing Examiner will convene a hearing to receive testimony and evidence related to the Petition from the Company, any respondents, and the Commission's Staff.

The Commission takes judicial notice of the ongoing public health issues related to the spread of the coronavirus, or COVID-19. In accordance therewith, all pleadings, briefs, or other documents required to be served in this matter should be submitted electronically to the extent authorized by 5 VAC 5-20-150, *Copies and format*, of the Commission's Rules of Practice and Procedure ("Rules of Practice"). Confidential and Extraordinarily Sensitive information shall not be submitted electronically and should comply with 5 VAC 5-20-170, *Confidential information*, of the Rules of Practice. Any person seeking to hand deliver and physically file or submit any pleading or other document shall contact the Clerk's Office Document Control Center at (804) 371-9838 to arrange the delivery.

Pursuant to 5 VAC 5-20-140, *Filing and service*, of the Commission's Rules of Practice, the Commission has directed that service on parties and the Commission's Staff in this matter shall be accomplished by electronic means. Please refer to the Commission's Order for Notice and Hearing for further instructions concerning Confidential or Extraordinarily Sensitive Information.

An electronic copy of the public version of the Company's Petition may be obtained by submitting a written request to counsel for the Company, Jontille D. Ray, Esquire, McGuireWoods LLP, Gateway Plaza, 800 East Canal Street, Richmond, Virginia 23219, or <a href="mailto:jray@mcguirewoods.com">jray@mcguirewoods.com</a>.

On or before August 31, 2022, any interested person may file comments on the Petition by following the instructions found on the Commission's website: <a href="mailto:scc.virginia.gov/casecomments/Submit-Public-Comments">scc.virginia.gov/casecomments/Submit-Public-Comments</a>. Those unable, as a practical matter, to submit comments electronically may file such comments with the Clerk of the Commission at the address listed above. All comments shall refer to Case No. PUR-2022-00062.

On or before July 15, 2022, any person or entity wishing to participate as a respondent in this proceeding may do so by filing a notice of participation at scc.virginia.gov/clk/efiling. Those unable, as a practical matter, to file a notice of participation electronically may file such notice by U.S. mail to the Clerk of the State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118. Such notice of participation shall include the email addresses of such parties or their counsel. The respondent simultaneously shall serve a copy of the notice of participation on counsel to the Company. Pursuant to Rule 5 VAC 5-20-80 B, Participation as a respondent, of the Commission's Rules of Practice, any notice of participation shall set forth: (i) a precise statement of the interest of the respondent; (ii) a statement of the specific action sought to the extent then known; and (iii) the factual and legal basis for the action. Any organization, corporation, or government body participating as a respondent must be represented by counsel as required by Rule 5 VAC 5-20-30, Counsel, of the Rules of Practice. All filings shall refer to Case No. PUR-2022-00062.

On or before July 27, 2022, each respondent may file with the Clerk of the Commission, at <a href="scc.virginia.gov/clk/efiling">scc.virginia.gov/clk/efiling</a>, any testimony and exhibits by which the respondent expects to

establish its case. Any respondent unable, as a practical matter, to file testimony and exhibits electronically may file such by U.S. mail to the Clerk of the Commission at the address listed above. Each witness's testimony shall include a summary not to exceed one page. All testimony and exhibits shall be served on the Staff, the Company, and all other respondents simultaneous with its filing. In all filings, respondents shall comply with the Commission's Rules of Practice, including 5 VAC 5-20-140, *Filing and service*; and 5 VAC 5-20-240, *Prepared testimony and exhibits*. All filings shall refer to Case No. PUR-2022-00062.

Any documents filed in paper form with the Office of the Clerk of the Commission in this docket may use both sides of the paper. In all other respects, except as modified by the Commission's Order for Notice and Hearing, all filings shall comply fully with the requirements of 5 VAC 5-20-150, *Copies and format*, of the Commission's Rules of Practice.

The public version of the Company's Petition, the Commission's Rules of Practice and the Commission's Order for Notice and Hearing may be viewed on the Commission's website at: <a href="mailto:scc.virginia.gov/pages/Case-Information">scc.virginia.gov/pages/Case-Information</a>.

### VIRGINIA ELECTRIC AND POWER COMPANY D/B/A DOMINION ENERGY VIRGINIA

- (9) The Company shall serve each official listed in 20 VAC 5-204-10 J 1 as provided by 20 VAC 5-204-10 J 2.
- (10) On or before July 15, 2022, the Company shall file proof of the notice and service required by Ordering Paragraphs (8) and (9) above, including the name, title, address, and electronic mail address (if applicable) of each official served, with the Clerk of the State Corporation Commission, by filing electronically at <a href="scc.virginia.gov/clk/efiling/">scc.virginia.gov/clk/efiling/</a>.
- (11) On or before August 31, 2022, any interested person may submit comments on the Petition by following the instructions found on the Commission's website:

  scc.virginia.gov/casecomments/Submit-Public-Comments. Those unable, as a practical matter, to submit comments electronically may file such comments by U.S. mail to the Clerk of the State

Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118. All comments shall refer to Case No. PUR-2022-00062.

- respondent in this proceeding may do so by filing a notice of participation at scc.virginia.gov/clk/efiling. Those unable, as a practical matter, to file a notice of participation electronically may file such notice by U.S. mail to the Clerk of the Commission at the address listed above. Such notice of participation shall include the email addresses of such parties or their counsel. The respondent simultaneously shall serve a copy of the notice of participation on counsel to the Company. Pursuant to 5 VAC 5-20-80 B, *Participation as a respondent*, of the Commission's Rules of Practice, any notice of participation shall set forth: (i) a precise statement of the interest of the respondent; (ii) a statement of the specific action sought to the extent then known; and (iii) the factual and legal basis for the action. Any organization, corporation, or government body participating as a respondent must be represented by counsel as required by 5 VAC 5-20-30, *Counsel*, of the Rules of Practice. All filings shall refer to Case No. PUR-2022-00062.
- (13) Within three (3) business days of receipt of a notice of participation as a respondent, the Company shall serve a copy of the public version of the Petition and supporting materials on the respondent, unless these already have been provided to the respondent.
- (14) On or before July 27, 2022, each respondent may file with the Clerk of the Commission at <a href="scc.virginia.gov/clk/efiling">scc.virginia.gov/clk/efiling</a>, any testimony and exhibits by which the respondent expects to establish its case. Any respondent unable, as a practical matter, to file testimony and exhibits electronically may file such by U.S. mail to the Clerk of the Commission at the address listed above. Each witness's testimony shall include a summary not to exceed one page. In all

filings, respondents shall comply with the Commission's Rules of Practice, as modified herein, including, but not limited to: 5 VAC 5-20-140, *Filing and service*, and 5 VAC 5-20-240, *Prepared testimony and exhibits*. All filings shall refer to Case No. PUR-2022-00062.

- (15) On or before August 10, 2022, the Staff shall investigate Dominion's Petition and file with the Clerk of the Commission its testimony and exhibits concerning the Petition, and each Staff witness's testimony shall include a summary not to exceed one page. A copy thereof shall be served on counsel to the Company and all respondents.
- (16) On or before August 24, 2022, Dominion shall file with the Clerk of the Commission any rebuttal testimony and exhibits that it expects to offer, and each rebuttal witness's testimony shall include a summary not to exceed one page. The Company shall serve a copy of its rebuttal testimony and exhibits on the Staff and all respondents.
- (17) Any documents filed in paper form with the Office of the Clerk of the Commission in this docket may use both sides of the paper. In all other respects, all filings shall comply fully with the requirements of 5 VAC 5-20-150, *Copies and format*, of the Commission's Rules of Practice.
- (18) The Commission's Rule of Practice 5 VAC 5-20-260, *Interrogatories or requests* for production of documents and things, shall be modified for this proceeding as follows: responses and objections to written interrogatories and requests for production of documents shall be served within seven (7) calendar days after receipt of the same. In addition to the service requirements of 5 VAC 5-20-260 of the Rules of Practice, on the day that copies are filed with the Clerk of the Commission, a copy of the interrogatory or request for production shall be served electronically on the party to whom the interrogatory or request for production is directed or the assigned Staff attorney, if the interrogatory or request for production is directed to the

Staff.<sup>42</sup> Except as modified herein, discovery shall be in accordance with Part IV of the Commission's Rules of Practice, 5 VAC 5-20-240 *et seq*.

- (19) The Company's request for waiver of the requirements of Rate Case Rule 60 and Rule 90 is granted as set forth in this Order.
  - (20) This matter is continued.

A COPY hereof shall be sent electronically by the Clerk of the Commission to all persons on the official Service List in this matter. The Service List is available from the Clerk of the Commission.

<sup>&</sup>lt;sup>42</sup> The assigned Staff attorney is identified on the Commission's website, <u>scc.virginia.gov/pages/Case-Information</u>, by clicking "Docket Search," then clicking "Search by Case Information," and entering the case number, PUR-2022-00062, in the appropriate box.